

Senate Bill No. 835

CHAPTER 344

An act to amend Sections 905.2, 8590.6, and 15820.946 of, and to add Section 15820.947 to, the Government Code, and to amend Section 37001.5 of, and to repeal Section 43011.3 of, the Health and Safety Code, relating to state government, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor September 13, 2016. Filed with
Secretary of State September 13, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

SB 835, Committee on Budget and Fiscal Review. State government.

Existing law with respect to claims against public entities authorizes the “board,” as defined, to assess a surcharge to the state entity against which an approved claim was filed in an amount not to exceed 15% of the claim. Existing law requires the surcharge to be deposited into the General Fund and provides that it may be appropriated in support of the board in the annual Budget Act.

This bill would specify that the Department of General Services may assess this surcharge, would require the surcharge to be deposited into the Service Revolving Fund, and would specify that the surcharge may be appropriated to the department in the annual Budget Act.

Existing law defines a human trafficking caseworker to mean a human trafficking caseworker as defined by the Evidence Code.

This bill would expand that definition to include a human trafficking caseworker who is employed by a homeless services provider that serves homeless children or youth and has completed a minimum of 8 hours of training focused on victims of human trafficking from the Runaway and Homeless Youth Training and Technical Assistance Center.

Existing law authorizes the State Public Works Board to issue up to \$270,000,000 in revenue bonds, notes, or bond anticipation notes to finance the acquisition, design, and construction of approved adult local criminal justice facilities, setting aside \$20,000,000 to be awarded to the County of Napa.

This bill would require that \$20,000,000 of the amount issued by the board in revenue bonds, notes, or bond anticipation notes be set aside and awarded to the County of Napa without the submission of any further adult local criminal justice facility proposal. The bill would also authorize those funds to be utilized in conjunction with a partial award made to the County of Napa pursuant to other specified provisions.

Article XXXIV of the California Constitution, among other things, prohibits any state public body from developing, constructing, or acquiring

a low-rent housing project before a majority of the qualified electors vote upon and approve the project. Existing law provides that the words “develop, construct, or acquire” for the purposes of that constitutional provision shall not be interpreted to include specified activities of a state public body.

This bill would include in those specified activities the financing for a specified low-rent housing project by a state public body, as provided.

Senate Bill 839 of the 2015–16 Regular Session (SB 839) would authorize the State Air Resources Board to enter into agreements with private entities and receive, on behalf of the state, contributions from private sources in the form of equipment or money in order to expedite the processing of applications, resolutions, and executive orders pertaining to a specified exception to the requirement that vehicles be equipped with pollution control devices or systems and the authorization to sell and install aftermarket and performance parts with a valid executive order. SB 839 would require all moneys received to be separately accounted for, be deposited into the Air Pollution Control Fund, and available to the state board for these purposes upon appropriation of the Legislature.

This bill would repeal that authorization for the state board to enter into those agreements and the requirement for the deposit of those moneys received, if Section 43011.3 of the Health and Safety Code is added by Section 24 of SB 839 and SB 839 becomes effective on or before January 1, 2017, and this bill is enacted after SB 839.

This bill would appropriate \$3,000,000 from the Gambling Control Fund to the Department of Justice for the purposes of addressing the backlog in investigations related to card room licensing.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 905.2 of the Government Code is amended to read:

905.2. (a) This section shall apply to claims against the state filed with the Department of General Services except as provided in subparagraph (B) of paragraph (2) of subdivision (b).

(b) There shall be presented in accordance with this chapter and Chapter 2 (commencing with Section 910) all claims for money or damages against the state:

(1) For which no appropriation has been made or for which no fund is available but the settlement of which has been provided for by statute or constitutional provision.

(2) (A) For which the appropriation made or fund designated is exhausted.

(B) Claims for reissuance of stale, dated, or replacement warrants shall be filed with the state entity that originally issued the warrant and, if allowed, shall be paid from the issuing entity’s current appropriation.

(3) For money or damages on express contract, or for an injury for which the state is liable.

(4) For which settlement is not otherwise provided for by statute or constitutional provision.

(c) Claimants shall pay a filing fee of twenty-five dollars (\$25) for filing a claim described in subdivision (b), except for claims for reissuance of stale, dated, or replacement warrants as described in subparagraph (B) of paragraph (2) of subdivision (b). This fee shall be deposited into the Service Revolving Fund and shall only be available for the support of the Department of General Services upon appropriation by the Legislature.

(1) The fee shall not apply to the following persons:

(A) Persons who are receiving benefits pursuant to the Supplemental Security Income (SSI) and State Supplementary Payment (SSP) programs (Article 5 (commencing with Section 12200) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code), the California Work Opportunity and Responsibility to Kids Act (CalWORKs) program (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code), the federal Supplemental Nutrition Assistance Program (SNAP; 7 U.S.C. Sec. 2011 et seq.), or Section 17000 of the Welfare and Institutions Code.

(B) Persons whose monthly income is 125 percent or less of the current monthly poverty line annually established by the Secretary of California Health and Human Services pursuant to the federal Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), as amended.

(C) Persons who are sentenced to imprisonment in a state prison or confined in a county jail, or who are residents in a state institution and, within 90 days prior to the date the claim is filed, have a balance of one hundred dollars (\$100) or less credited to the inmate's or resident's trust account. A certified copy of the statement of the account shall be submitted.

(2) Any claimant who requests a fee waiver shall attach to the application a signed affidavit requesting the waiver and verification of benefits or income and any other required financial information in support of the request for the waiver.

(3) Notwithstanding any other law, an applicant shall not be entitled to a hearing regarding the denial of a request for a fee waiver.

(d) The time for the Department of General Services to determine the sufficiency, timeliness, or any other aspect of the claim shall begin when any of the following occur:

(1) The claim is submitted with the filing fee.

(2) The fee waiver is granted.

(3) The filing fee is paid to the department upon the department's denial of the fee waiver request, so long as payment is received within 10 calendar days of the mailing of the notice of the denial.

(e) Upon approval of the claim by the Department of General Services, the fee shall be reimbursed to the claimant, except that no fee shall be reimbursed if the approved claim was for the payment of an expired warrant. Reimbursement of the filing fee shall be paid by the state entity against

which the approved claim was filed. If the claimant was granted a fee waiver pursuant to this section, the amount of the fee shall be paid by the state entity to the department. The reimbursement to the claimant or the payment to the department shall be made at the time the claim is paid by the state entity, or shall be added to the amount appropriated for the claim in an equity claims bill.

(f) The Department of General Services may assess a surcharge to the state entity against which the approved claim was filed in an amount not to exceed 15 percent of the total approved claim. The department shall not include the refunded filing fee in the surcharge calculation. This surcharge shall be deposited into the Service Revolving Fund and may be appropriated in support of the department in the annual Budget Act.

(1) The surcharge shall not apply to approved claims to reissue expired warrants.

(2) Upon the request of the department in a form prescribed by the Controller, the Controller shall transfer the fees from the state entity's appropriation to the appropriation for the support of the department. However, the department shall not request an amount that shall be submitted for legislative approval pursuant to Section 14659.10.

(g) The filing fee required by subdivision (c) shall apply to all claims filed after June 30, 2004, or the effective date of this statute. The surcharge authorized by subdivision (f) may be calculated and included in claims paid after June 30, 2004, or the effective date of the statute adding this subdivision.

(h) This section shall not apply to claims made for a violation of the California Whistleblower Protection Act (Article 3 (commencing with Section 8547) of Chapter 6.5 of Division 1 of Title 2).

SEC. 2. Section 8590.6 of the Government Code is amended to read:

8590.6. For the purposes of this article:

(a) "Comprehensive services" means primary services that include all of the following:

(1) Shelter or established referral services for shelter on a 24 hours a day, seven days a week, basis.

(2) A 24 hours a day, seven days a week, telephone hotline for crisis calls.

(3) Temporary housing and food facilities.

(4) Psychological support and peer counseling provided in accordance with Section 1038.2 of the Evidence Code.

(5) Referrals to existing services in the community.

(6) Emergency transportation, as feasible.

(b) "Director" means the Director of the Office of Emergency Services.

(c) "Fund" means the Human Trafficking Victims Assistance Fund.

(d) "Human trafficking caseworker" means a human trafficking caseworker as defined in Section 1038.2 of the Evidence Code, or a human trafficking caseworker who is employed by a homeless services provider that serves homeless children or youth and has completed a minimum of

eight hours of training focused on victims of human trafficking from the Runaway and Homeless Youth Training and Technical Assistance Center.

(e) “Office” means the Office of Emergency Services.

(f) “Qualified nonprofit organization” means a nongovernmental, nonprofit organization that does both of the following:

(1) Employs a minimum of one individual who is a human trafficking caseworker.

(2) Provides services to victims of human trafficking, including, but not limited to, housing assistance, counseling services, and social services to victims of human trafficking.

(g) “Victim of human trafficking” means any person who is a trafficking victim as described in Section 236.1 of the Penal Code and satisfies either of the following conditions:

(1) Was trafficked in the state.

(2) Fled his or her trafficker to the state.

SEC. 3. Section 15820.946 of the Government Code is amended to read:

15820.946. (a) The participating county contribution for adult local criminal justice facilities financed under this chapter shall be a minimum of 10 percent of the total project costs. The BSCC may reduce contribution requirements for participating counties with a general population below 200,000 upon petition by a participating county to the BSCC requesting a lower level of contribution.

(b) The BSCC shall determine the funding and scoring criteria consistent with the requirements of this chapter. Financing shall be awarded only to those counties that have previously received only a partial award or have never received an award from the state within the financing programs authorized in Chapters 3.11 (commencing with Section 15820.90) to 3.131 (commencing with Section 15820.93), inclusive. The funding criteria shall include, as a mandatory criterion, documentation of the percentage of pretrial inmates in the county jail from January 1, 2015, to December 31, 2015, inclusive, and a description of the county’s current risk assessment based pretrial release program. Funding preference shall also be given to counties that are most prepared to proceed successfully with this financing in a timely manner. The determination of preparedness to proceed shall include the following:

(1) Counties providing a board of supervisors’ resolution authorizing an adequate amount of available matching funds to satisfy the counties’ contribution and approving the forms of the project documents deemed necessary, as identified by the board to the BSCC, to effectuate the financing authorized by this chapter, and authorizing the appropriate signatory or signatories to execute those documents at the appropriate times. The identified matching funds in the resolution shall be compatible with the state’s lease-revenue bond financing.

(2) Counties providing documentation evidencing CEQA compliance has been completed. Documentation of CEQA compliance shall be either a final Notice of Determination or a final Notice of Exemption, as appropriate, and a letter from county counsel certifying the associated statute

of limitations has expired and either no challenges were filed or identifying any challenges filed and explaining how they have been resolved in a manner that allows the project to proceed as proposed.

(c) Funding consideration shall be given to counties that are seeking to replace compacted, outdated, or unsafe housing capacity that will also add treatment space or counties that are seeking to renovate existing or build new facilities that provide adequate space for the provision of treatment and rehabilitation services, including mental health treatment.

(d) A participating county may replace existing housing capacity, realizing only a minimal increase of capacity, using this financing authority if the requesting county clearly documents an existing housing capacity deficiency.

(e) A participating county with a request resulting in any increase in capacity using this financing authority shall be required to certify and covenant in writing that the county is not, and will not be, leasing housing capacity to any other public or private entity for a period of 10 years beyond the completion date of the adult local criminal justice facility.

(f) Any locked facility constructed or renovated with state funding awarded under this program shall include space to provide onsite, in-person visitation capable of meeting or surpassing the minimum number of weekly visits required by state regulations for persons detained in the facility.

(g) Any county applying for financing authority under this program shall include a description of efforts to address sexual abuse in its adult local criminal justice facility constructed or renovated pursuant to this chapter.

SEC. 4. Section 15820.947 is added to the Government Code, to read:

15820.947. Notwithstanding the award restriction in subdivision (b) of Section 15820.946, twenty million dollars (\$20,000,000) of the amount authorized in Section 15820.942 shall be set aside and awarded to the County of Napa without the submission of any further adult local criminal justice facility proposal. This amount may be utilized in conjunction with a partial award made to the County of Napa pursuant to Chapter 3.131 (commencing with Section 15820.93). These awards represent the maximum state contribution for the adult local criminal justice facility in the County of Napa.

SEC. 5. Section 37001.5 of the Health and Safety Code is amended to read:

37001.5. The words “develop, construct, or acquire,” as used in Section 1 of Article XXXIV of the State Constitution, shall not be interpreted to apply to activities of a state public body when that body does any of the following:

(a) Provides financing, secured by a deed of trust or other security instrument to a private owner of existing housing; or acquires a development, for which financing previously has been provided, as a temporary measure to protect its security and with an intention to change the ownership so that it will not continue to be the owner of a low-rent housing project.

(b) Acquires or makes improvements to land which is anticipated to be sold, ground leased, or otherwise transferred to a private owner prior to its development as a low-rent housing project, provided (1) the land and

improvements thereon are not subject to an exemption from property taxation by reason of public ownership for more than five years following acquisition or improvement by the state public body, or (2) such an exemption from property taxation persists beyond the five-year period and no alternative use is designated for the land or improvements, but any property tax revenues lost by affected taxing agencies on account of the exemption of land or improvements from property taxes by reason of public ownership of the property, or any interest in the property after the five-year period, are fully reimbursed by payments in lieu of taxes following the expiration of the five-year period.

(c) Leases existing dwelling units from the private owner of such units, provided the lease or a subtenancy thereunder does not result in a decrease of property tax revenues with respect to the dwelling units leased.

(d) Provides assistance to the private owner or occupant of existing housing which enables an occupant to live in decent, safe, and sanitary housing at a rent he or she can afford to pay.

(e) Provides assistance to a low-rent housing project and monitors construction or rehabilitation of that project and compliance with conditions of that assistance to the extent of:

- (1) Carrying out routine governmental functions.
- (2) Performing conventional activities of a lender.
- (3) Imposing constitutionally mandated or statutorily authorized conditions accepted by a grantee of assistance.

(f) Provides assistance to a development prior to its becoming a low-rent housing project without intending or expecting that the development will become a low-rent housing project, as defined.

(g) Provides financing for a low-rent housing project pursuant to Chapter 6.7 (commencing with Section 51325) of Part 3 of Division 31.

(h) Provides financing for a low-rent housing project pursuant to Article 3.2 (commencing with Section 987.001) and Article 5y (commencing with Section 998.540) of Chapter 6 of Division 4 of the Military and Veterans Code. This subdivision shall apply to all low-rent housing projects that convert the project's financing to permanent financing after January 1, 2017.

SEC. 6. Section 43011.3 of the Health and Safety Code, as added by Section 24 of Senate Bill 839 of the 2015–16 Regular Session, is repealed.

SEC. 7. Section 6 of this act, which repeals Section 43011.3 of the Health and Safety Code as added by Section 24 of Senate Bill 839 of the 2015–16 Regular Session (SB 839), shall only become operative if Section 43011.3 of the Health and Safety Code is added by Section 24 of Senate Bill 839 and Senate Bill 839 becomes effective on or before January 1, 2017, and this bill is enacted after Senate Bill 839.

SEC. 8. The sum of three million dollars (\$3,000,000) is hereby appropriated from the Gambling Control Fund to the Department of Justice for the purposes of Schedule (2) of Item 0820-001-0567 of Section 2.00 of the Budget Act of 2016 in order to address the backlog in investigations related to card room licensing.

SEC. 9. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.